

EVERETT CITY COUNCIL AGENDA ITEM COVER SHEET

PROJECT TITLE:

Professional Service
 Agreement with Tetra Tech,
 Inc. to provide design services
 for the Supervisory Control and
 Data Acquisition Master Plan
 for utility operations

_____ Briefing
 _____ Proposed Action
 _____ Consent
 _____ Action **X**
 _____ First Reading
 _____ Second Reading
 _____ Third Reading
 _____ Public Hearing
 _____ Budget Advisory

COUNCIL BILL #

Originating Department

Contact Person

Phone Number

FOR AGENDA OF

Public Work

Mark Sadler

425-257-8967

March 23, 2016

Initialed by:

Department Head

CAA

Council President

db
gmm

Location

City wide

Preceding Action

Attachments

Professional Services
 Agreement

Department(s) Approval

Public Works, Legal

Amount Budgeted	\$200,000	Within Utility Maint Budget
Expenditure Required	\$120,970	Account Number(s): Fund 401
Budget Remaining	-0-	
Additional Required	-0-	

DETAILED SUMMARY STATEMENT:

The City uses supervisory control and data acquisition (SCADA) systems for controlling utility operations. System upgrades are needed at numerous utility locations.

This Professional Service Agreement sets standards and provides a plan for upgrades to the telemetry, process control, and SCADA system, accounting for the City's utility operations need for standardization, maintenance and security procedures, current and future performance, and long-term affordability.

RECOMMENDATION (Exact action requested of Council):

Authorize the Mayor to sign the Professional Service Agreement with Tetra Tech, Inc. to provide design services for the Supervisory Control and Data Acquisition Master Plan for utility operations in the amount of \$120,970.

**CITY OF EVERETT
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT made and entered into on this day of March, 2016, by and between the **CITY OF EVERETT**, a municipal corporation under the laws of the State of Washington, hereinafter referred to as the "City," and Tetra Tech, Inc., whose address is 19803 North Creek Parkway Bothell, WA 98011, hereinafter referred to as the "Service Provider."

WHEREAS, the City desires to engage the Service Provider to provide engineering services related to a comprehensive plan for the supervisory control and data accusation (SCADA) controls for utilities operations for the City of Everett; and

WHEREAS, Service Provider represented, and by entering into this Agreement now represents, that it is fully qualified to perform the work to be performed hereunder in a competent and professional manner;

NOW, THEREFORE, the parties herein do mutually agree as follows:

1. **Engagement of Service Provider.** The City hereby agrees to engage the Service Provider, and the Service Provider hereby agrees, to perform the work in a competent and professional manner and provide the services described in the attached "Exhibit A - Scope of Work". The Scope of Work so identified is hereafter referred to as "Work". Without a written directive of an authorized representative of the City, the Service Provider shall not perform any services that are in addition to, or beyond the scope of, the Work. If the Service Provider's proposal is attached as an exhibit, and if such proposal contains or incorporates any conditions or terms in addition to or different from the terms of this Agreement, then the Service Provider expressly agrees that such conditions or terms are neither incorporated nor included into this Agreement between the City and Service Provider. If, and to the extent, the Work includes the design of a public work or improvement, in whole or in part, Service Provider's design shall be reasonably accurate, adequate and suitable for its intended purpose.

2. **Intellectual Property Rights.** Reports, drawings, plans, specifications and any other intangible property created in furtherance of the Work are property of the City for all purposes, whether the project for which they are made is executed or not, and may be used by the City for any purpose. Any reuse by the City of these reports, drawings, plans, specifications or intangible property for purposes other than in connection with the Work is at the sole risk of the City. Unless otherwise expressly agreed in writing, all intellectual property rights in such documents or intangible property created pursuant to this Agreement, or for the City of Everett, belong to the City of Everett. Service Provider retains any intellectual property rights in documents and intangible property created by Service Provider prior to engagement, or not created by Service Provider for its performance of this Agreement.

3. **Time of Beginning and Completion of Performance.** This Agreement shall commence as of the date of execution of this Agreement and shall be completed by December 31, 2016.

4. **Compensation.**

A. The City shall pay the Service Provider only for completed Work and for services actually rendered which are described herein. Such payment shall be full compensation for Work performed or services rendered, including, but not limited to, all labor, materials, supplies, equipment and incidentals necessary to complete the Work.

B. The Service Provider shall be paid such amounts and in such manner as described in Exhibit B.

C. Service Provider may receive payment as reimbursement for Eligible Expenses actually incurred. "Eligible Expenses" means those types and amounts of expenses either listed in Exhibit C or such expenses as are approved for reimbursement by the City in writing prior to the expense being incurred. If Exhibit C is either blank or not attached, expenses may not be reimbursed unless prior written approval was obtained from the City. An expense shall not be reimbursed if: (1) the expense is not identified in Exhibit C; (2) the expense exceeds the per item or cumulative limits for such expense if it is identified in Exhibit C; or (3) the expense was not approved in writing by an authorized City representative prior to the Service Provider incurring the expense. If, and to the extent, overnight lodging in western Washington is authorized, Service Provider is strongly encouraged to lodge within the corporate limits of City. When authorized, Service Provider will be reimbursed 100% of lodging expense, if lodged within the corporate limits of the City, but Service Provider will be reimbursed 50% of lodging expense when lodged outside the corporate limits of the City. If authorized, the City may (at its sole option) obtain or arrange air travel for the Service Provider.

D. Total compensation, including all services and expenses, shall not exceed a maximum of one-hundred twenty thousand nine hundred seventy Dollars (\$120,970).

E. If Service Provider fails or refuses to correct its work when so directed by the City, the City may withhold from any payment otherwise due an amount that the City in good faith believes is equal to the cost to the City of correcting, re-procuring, or remedying any damage caused by Service Provider's conduct.

5. **Method of Payment.**

A. To obtain payment, the Service Provider shall (a) file its request for payment, accompanied by evidence satisfactory to the City justifying the request for payment; (b) submit a report of Work accomplished and hours of all tasks completed; (c) to the extent reimbursement of Eligible Expenses is sought, submit itemization of such expenses and, if requested by the City, copies of receipts and invoices; and (d) comply with all applicable provisions of this Agreement. Service Provider shall be paid no more often than once every thirty days.

B. All requests for payment should be sent to:

City of Everett
Attn.: Mark Sadler, P.E.
3200 Cedar Street
Everett, WA 98201

6. **Submission of Reports and Other Documents.** The Service Provider shall submit all reports and other documents as and when specified in Exhibit A. Said information shall be subject to review by the City, and if found to be unacceptable, Service Provider shall correct and deliver to the City any deficient Work at Service Provider's expense with all practical dispatch. Service Provider shall abide by the City's determinations concerning acceptability of Work.

7. **Termination of Contract.** City reserves the right to terminate this Agreement at any time by sending written notice of termination to Service Provider ("Notice"). The Notice shall specify a termination date ("Termination Date") at least fourteen (14) days after the date the Notice is issued. The Notice shall be effective ("Notice Date") upon the earlier of either actual receipt by Service Provider (whether by fax, mail, delivery or other method reasonably calculated to be received by Service Provider in a reasonably prompt manner) or three calendar days after issuance of the Notice. Upon the Notice Date, Service Provider shall immediately commence to end the Work in a reasonable and orderly manner. Unless terminated for Service Provider's material breach, the Service Provider shall be paid or reimbursed for: (a) all hours worked and Eligible Expenses incurred up to the Notice Date, less all payments previously made; and (b) those hours worked and Eligible Expenses incurred after the Notice Date, but prior to the Termination Date, that were reasonably necessary to terminate the Work in an orderly manner. Notices under this Section 7 shall be sent by the United States Mail to Service Provider's address provided herein, postage prepaid, certified or registered mail, return receipt requested, or by delivery. In addition, Notices may also be sent by any other method reasonably believed to provide Service Provider actual notice in a timely manner, such as fax. The City does not by this Section 7 waive, release or forego any legal remedy for any violation, breach or non-performance of any of the provision of this Agreement. At its sole option, City may deduct from the final payment due the Service Provider (a) any damages, expenses or costs arising out of any such violations, breaches, or non-performance and (b) any other backcharges or credits.

8. **Changes.** The City may, from time to time, unilaterally change the scope of the services of the Service Provider to be performed hereunder. Such changes, including any increase or decrease in the scope of work (and resulting increase or decrease in compensation), shall: (a) be made only in writing and signed by an authorized City representative, (b) be explicitly identified as an amendment to this Agreement and (c) become a part of this Agreement.

9. **Subletting/Assignment of Contracts.** Service Provider shall not sublet or assign any of the Work without the express, prior written consent of the City.

10. **Indemnification.** Except as otherwise provided in this Section 10, the Service Provider hereby agrees to defend and indemnify the City from any and all Claims arising out of, in

connection with, or incident to any negligent or intentional acts, errors, omissions, or conduct by Service Provider (or its employees, agents, representatives or subcontractors/subconsultants) relating to this Agreement, whether such Claims sound in contract, tort, or any other legal theory. The Service Provider is obligated to defend and indemnify the City pursuant to this Section 10 whether a Claim is asserted directly against the City, or whether it is asserted indirectly against the City, e.g., a Claim is asserted against someone else who then seeks contribution or indemnity from the City. The Service Provider's duty to defend and indemnify pursuant to this Section 10 is not in any way limited to, or by the extent of, insurance obtained by, obtainable by, or required of the Service Provider. The Service Provider's obligations under this Section 10 shall not apply to Claims caused by the sole negligence of the City. If (1) RCW 4.24.115 applies to a particular Claim, and (2) such Claim is caused by or results from the concurrent negligence of (a) the Service Provider, its employees, subcontractors/subconsultants or agents and (b) the City, then the Service Provider's obligations under this Section 10 shall apply only to the extent allowed by RCW 4.24.115. Solely and expressly for the purpose of its duties to indemnify and defend the City, the Service Provider specifically waives any immunity it may have under the State Industrial Insurance Law, Title 51 RCW. The Service Provider recognizes that this waiver of immunity under Title 51 RCW was specifically entered into pursuant to the provisions of RCW 4.24.115 and was the subject of mutual negotiation. As used in this Section 10: (1) "City" includes the City, the City's officers, employees, agents, and representatives and (2) "Claims" include, but is not limited to, any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney's fees and litigation expenses), suits, judgments, or damages, irrespective of the type of relief sought or demanded, such as money or injunctive relief, and irrespective of whether the damage alleged is bodily injury, damage to property, economic loss, general damages, special damages, or punitive damages. If, and to the extent, Service Provider employs or engages subconsultants or subcontractors, then Service Provider shall ensure that each such subconsultant and subcontractor (and subsequent tiers of subconsultants and subcontractors) shall expressly agree to defend and indemnify the City to the extent and on the same terms and conditions as the Service Provider pursuant to this Section 10.

11. Insurance.

A. Service Provider shall comply with the following conditions and procure and keep in force during the term of this Agreement, at Service Provider's own cost and expense, the following policies of insurance with companies authorized to do business in the State of Washington, which are rated at least "A" or better and with a numerical rating of no less than seven (7), by A.M. Best Company and which are acceptable to the City.

1. Workers' Compensation Insurance as required by Washington law and Employer's Liability Insurance with limits not less than \$1,000,000 per occurrence. If the City authorizes sublet work, the Service Provider shall require each subcontractor to provide Workers' Compensation Insurance for its employees, unless the Service Provider covers such employees.

2. Commercial General Liability Insurance on an occurrence basis in an amount not less than \$1,000,000 per occurrence and at least \$2,000,000 in the annual aggregate,

including but not limited to: premises/operations (including off-site operations), blanket contractual liability and broad form property damage.

3. Business Automobile Liability Insurance in an amount not less than \$1,000,000 per occurrence, extending to any automobile. A statement certifying that no vehicle will be used in accomplishing this Agreement may be substituted for this insurance requirement.

4. Professional Errors and Omissions Insurance in an amount not less than \$1,000,000 per occurrence and \$1,000,000 in the annual aggregate. Such coverage may be written on a claims made basis. If both parties agree that the Work does not warrant Service Provider providing Professional Errors and Omissions Insurance, this Section 11.A.4 may be stricken and initialed by both parties.

B. The above liability policies shall be primary as to the City and shall contain a provision that the policy shall not be canceled or materially changed without 30 days prior written notice to the City. No cancellation provision in any insurance policy shall be construed in derogation of the continuous duty of the Service Provider to furnish the required insurance during the term of this Agreement.

C. Upon written request by the City, the insurer or his/her agent will furnish, prior to or during any Work being performed, a copy of any policy cited above, certified to be a true and complete copy of the original.

D. Prior to the Service Provider performing any Work, Service Provider shall provide the City with a Certificate of Insurance acceptable to the City Attorney evidencing the required insurance. Service Provider shall provide the City with either (1) a true copy of an endorsement naming the City of Everett, its officers, employees and agents as Additional Insureds on the Commercial General Liability Insurance policy and the Business Automobile Liability Insurance policy with respect to the operations performed and services provided under this Agreement and that such insurance shall apply as primary insurance on behalf of such Additional Insureds or (2) a true copy of the blanket additional insured clause from the policies. Receipt by the City of any certificate showing less coverage than required is not a waiver of the Service Provider's obligations to fulfill the requirements.

E. If the policy listed in Section 11.A.4. above, Professional Errors and Omissions Insurance, is on a claims made policy form, the retroactive date on the policy shall be the effective date of this Agreement or prior. The retroactive date of any subsequent renewal of such policy shall be the same as the original policy provided. The extended reporting or discovery period on a claims made policy form shall not be less than 36 months following expiration of the policy. (This Section 11.E shall not apply if Section 11.A.4. above is stricken.)

F. Service Provider certifies that it is aware of the provisions of Title 51 of the Revised Code of Washington that requires every employer to be insured against liability of Workers' Compensation, or to undertake self-insurance in accordance with the provisions of that Title.

Service Provider shall comply with the provisions of Title 51 of the Revised Code of Washington before commencing the performance of the Work. Service Provider shall provide the City with evidence of Workers' Compensation Insurance (or evidence of qualified self-insurance) before any Work is commenced.

G. In case of the breach of any provision of this Section 11, the City may, at its option and with no obligation to do so, provide and maintain at the expense of Service Provider, such types of insurance in the name of the Service Provider, and with such insurers, as the City may deem proper, and may deduct the cost of providing and maintaining such insurance from any sums which may be found or become due to Service Provider under this Agreement or may demand Service Provider to promptly reimburse the City for such cost.

12. Independent Contractor.

A. This Agreement neither constitutes nor creates an employer-employee relationship. Service Provider must provide services under this Agreement as an independent contractor. Service Provider must comply with all federal and state laws and regulations applicable to independent contractors including, but not limited to, the requirements listed in this Section 12. Service Provider agrees to indemnify and defend the City from and against any claims, valid or otherwise, made against the City because of these obligations.

B. In addition to the other requirements of this Section 12, if Service Provider is a sole proprietor, Service Provider agrees that Service Provider is not an employee or worker of the City under Chapter 51 of the Revised Code of Washington, Industrial Insurance for the service performed in accordance with this Agreement, by certifying to the following:

(1) Service Provider is free from control or direction over the performance of the service; and

(2) The service performed is outside the usual course of business for the City, or will not be performed at any place of business of the City, or Service Provider is responsible for the costs of the principal place of business from which the service is performed; and

(3) Service Provider is customarily engaged in an independently established business of the same nature as the service performed, or has a principal place of business for the service performed that is eligible for a business deduction for federal income tax purposes; and

(4) On the effective date of this Agreement, Service Provider is responsible for filing a schedule of expenses, for the next applicable filing period, with the internal revenue service for the type of service performed; and

(5) By the effective date of this Agreement or within a reasonable time thereafter, Service Provider has established an account with the department of revenue and other state agencies, where required, for the service performed for the payment of all state taxes normally paid by employers and businesses and has registered for and received a unified business identifier number from the state of Washington; and

(6) By the effective date of this Agreement, Service Provider is maintaining a separate set of records that reflect all items of income and expenses of the services performed.

C. Any and all employees of the Service Provider, while engaged in the performance of any Work, shall be considered employees of only the Service Provider and not employees of the City. The Service Provider shall be solely liable for any and all claims that may or might arise under the Worker's Compensation Act on behalf of said employees or Service Provider, while so engaged and for any and all claims made by a third party as a consequence of any negligent act or omission on the part of the Service Provider's employees, while so engaged on any of the Work

D. Service Provider shall comply with all applicable provisions of the Fair Labor Standards Act and other legislation affecting its employees and the rules and regulations issued thereunder insofar as applicable to its employees and shall at all times save the City free, clear and harmless from all actions, claims, demands and expenses arising out of said act, and rules and regulations that are or may be promulgated in connection therewith.

E. Service Provider assumes full responsibility for the payment of all payroll taxes, use, sales, income, or other form of taxes (such as state and, city business and occupation taxes), fees, licenses, excises or payments required by any city, federal or state legislation which are now or may during the term of the Agreement be enacted as to all persons employed by the Service Provider and as to all duties, activities and requirements by the Service Provider in performance of the Work and Service Provider shall assume exclusive liability therefore, and meet all requirements thereunder pursuant to any rules or regulations that are now or may be promulgated in connection therewith.

13. Employment. The Service Provider warrants that he had not employed or retained any company or person, other than a bona fide employee working solely for the Service Provider, to solicit or secure this Agreement and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Service Provider, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

14. Audits and Inspections. At any time during normal business hours and as often as the City may deem necessary, the Service Provider shall make available to the City for the City's examination all of the Service Provider's records and documents with respect to all matters covered by this Agreement and, furthermore, the Service Provider will permit the City to audit, examine and make copies, excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

15. City of Everett Business License. Service Provider agrees to obtain a City of Everett business license prior to performing any work pursuant to this Agreement.

16. **State of Washington Requirements.** Service Provider agrees to register and obtain any State of Washington business licenses, Department of Revenue account and/or unified business identifier number as required by RCW 50.04.140 and 51.08.195 prior to performing any work pursuant to this Agreement.

17. **Compliance with Federal, State and Local Laws.** Service Provider shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of work hereunder.

18. **Compliance with the Washington State Public Records Act.** Service Provider acknowledges that the City is subject to the Public Records Act, chapter 42.56 RCW (the "Act"). All records owned, used or retained by the City are public records subject to disclosure unless exempt under the Act, whether or not such records are in the possession or control of the City or Service Provider. Service Provider shall cooperate with the City so that the City may comply with all of its obligations under the Act. Within ten (10) days after receipt of notice from the City, Service Provider shall deliver to the City copies of all records relating to this Agreement or relating to the Work that the City determines qualify as the City's public records under the Act. If the City receives a public records request relating to this Agreement or relating to the Work, the City shall seek to provide notice to Service Provider at least ten (10) days before the City releases records pursuant to such public records request, but in no event will the City have any liability to Service Provider for any failure of the City to provide such notice. In addition to its other indemnification and defense obligations under this Agreement, Service Provider shall indemnify and defend the City from and against any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney's fees and litigation expenses), suits, judgments, or damage arising from or relating to any failure of Service Provider to comply with this Section 18.

19. **Compliance with Grant Terms and Conditions.** Service Provider shall comply with any and all conditions, terms and requirements of any federal, state or other grant that wholly or partially funds Service Provider's work hereunder.

20. **Equal Employment Opportunity.** Service Provider shall not discriminate against any employee, applicant for employment, independent Service Provider, or proposed independent Service Provider, on the basis of race, color, religion, sex, age, disability, marital state, or national origin.

21. **Waiver.** Any waiver by the Service Provider or the City or the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.

22. **Complete Agreement.** This Agreement contains the complete and integrated understanding and Agreement between the parties and supersedes any understanding, Agreement or negotiation whether oral or written not set forth herein.

23. **Modification of Agreement.** This Agreement may be modified as provided in ¶8, or by a writing explicitly identified as a modification of this Agreement that is signed by authorized representatives of the City and the Service Provider.

24. **Severability.** If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws, and the remainder of the Agreement shall remain in full force and effect.

25. **Notices.**

A. Notices to the City of Everett shall be sent to the following address:

City of Everett
Attn.: Mark Sadler, P.E.
3200 Cedar Street
Everett, WA 98201

B. Notices to the Service Provider shall be sent to the following address:

Tetra Tech, Inc.
Attn.: Shannon English, PE
19803 North Creek Parkway
Bothell, WA 98011

26. **Venue.** Venue for any lawsuit arising out of this Agreement shall be in the Superior Court of Snohomish County, Washington.

27. **Governing Law.** The laws of the State of Washington, without giving effect to principles of conflict of laws, govern all matters arising out of or relating to this Agreement.

IN WITNESS WHEREOF, the City and Service Provider have executed this Agreement as of the date first above written.

**CITY OF EVERETT,
WASHINGTON**

Ray Stephanson, Mayor

Date

ATTEST:

APPROVED AS TO FORM:

Sharon Fuller, City Clerk

James D. Iles, City Attorney

Date

Date

SERVICE PROVIDER: Please fill in the spaces and sign in the box appropriate for your business entity.

Corporation

TETRA TECH INC.

[Service Provider's Complete Legal Name]

By: [Signature]

Typed/Printed Name: SHANNON ENGLISH

Its: DIRECTOR OF EOC

Date: 3.8.16

**Partnership
(general)**

[Service Provider's Complete Legal Name]

a Washington general partnership

By: _____

Typed/Printed Name: _____

General Partner

Date: _____

**Partnership
(limited)**

[Service Provider's Complete Legal Name]

a Washington limited partnership

By: _____

Typed/Printed Name: _____

General Partner

Date: _____

**Sole
Proprietorship**

Typed/Printed Name:

Sole Proprietor:

Date: _____

**Limited
Liability
Company**

[Service Provider's Complete Legal Name]

a Washington limited liability company

By: _____

Typed/Printed Name: _____

Managing Member

Date: _____

EXHIBIT A
SCOPE OF WORK

Scope of Work

This Scope of Work (SOW) defines the Design Services for the City of Everett TSG SCADA Master Plan. The approach to the project is based on communication with the City Project Manager. The project deliverables will include the following items:

- **Technical Memo A: Telemetry, Process Control, SCADA Head-End and Network Evaluation**
- **Technical Memo B: Master Plan Alternatives**
- **SCADA Master Plan Report**

Draft submittals for the memos and reports listed above are expected to be delivered for City review as described below. The preparation of these documents will require the performance of the five tasks identified below:

- Task 1: Inventory Existing System**
- Task 2: Evaluate Existing System**
- Task 3: Gap Analysis - Assess City's Current and Future Needs**
- Task 4: Identify Alternatives**
- Task 5: Provide Recommendations**

Tasks 1, 2 and 3 will be performed during the preparation of Technical Memo A. Tasks 4 and 5 will be performed during the preparation of Technical Memo B and the Master Plan Report. The final versions of Technical Memos A, and B will be attached as appendices to the Report.

The selection and evaluation of alternatives in the Master Plan will consider the City's needs. In general terms, these include:

- SCADA system standardization to guide the development of infrastructure and ensure consistency of operations
- SCADA system Governance including system access, departmental responsibilities, and a holistic review of how the TSG system interacts with the WFP and WPCF
- Risk Analysis encompassing the City regulatory reporting and compliance requirements and the ramifications that will result from SCADA system failures
- Documented policies and procedures concerning systems management, operational continuity, best maintenance practices, equipment replacement lifecycle, change management, disaster recovery, backups, etc.
- Improved system performance with regard to reliability, scalability, and resiliency
- SCADA solutions that meet the City's needs without excessive complexity and cost

A. Technical Memo A: Telemetry, Process Control, SCADA Head-End and Network Evaluation

This technical memorandum will address the telemetry system, including the radios, RTUs and RTU communication pathways, PLCs, controller hardware, instrumentation, and the SCADA head-end system, including the Windows workstations and servers, network security and reliability, the HMI (Wonderware) application, and alarm notification, historical data storage, and reporting. The objective of the memo is to document proposed standards and potential improvements related to the telemetry, process control, and SCADA system that account for the City's need for standardization, maintenance and security procedures, current and future performance, and long-term affordability.

A.1 – Inventory Existing Telemetry, Process Control, and SCADA Systems

The objective of this task is to gather relevant information about the existing telemetry, process control, and SCADA systems. This material will include existing Operation and Maintenance manual materials,

existing customized RTU and PLC software, programming software information, including version licensing, previous radio studies, existing server and workstation hardware specifications, software operating system configuration, copies of custom software applications, network diagrams, network switch and router information, IP address listing, and as-built design drawings.

Assumptions and Clarifications:

The following reference materials will be provided by the City:

- As-built P&IDs, electrical plans, one-lines, and control wiring schematics for each TSG site, as applicable for a typical site or installation
- Field communication details and plans for existing fiber-optic infrastructure, if available
- Ethernet LAN communication network information for each RTU and MTU, as applicable, including IP address listing and network switch information
- Radio and antenna make and model
- Radio Study Reports if applicable
- VFD and soft start standards
- Network diagrams, including process control and enterprise networks, router and firewall details, and IP address list
- Current workstation and server information
- Workstation and sever user accounts list
- Alarm system modem hardware and software details, including copies of alarm database and configuration
- Copies of Wonderware applications
- Current Wonderware license and support agreement information
- Current anti-virus programs and policies as applicable to control system computers
- Documentation for planned asset management system, if available
- VPN information, if applicable
- Report templates
- Historical data tag list

Deliverables:

The following materials will be included in Technical Memo A:

- A summary of the existing telemetry and process control systems
- A summary of the existing SCADA head-end hardware and software
- A summary of existing IT policies related to SCADA
- Site-by-site communications evaluation based on information provided
- Existing Process Network Diagram if not already developed
- Appendix containing relevant details and supporting documentation

A.2 – Evaluate Existing Telemetry, Process Control, and SCADA Head-End Systems

The objective of this task is to determine what's working and what can be improved with regard to performance, reliability, and maintainability. Current industry standards and practice will be used as a basis for evaluating telemetry communication, control system functionality, field instrumentation, SCADA hardware, SCADA software, and related maintenance, security, and management policies.

Assumptions and Clarifications:

The following reference materials will be provided by the City:

- Telemetry outage information, including historical data to confirm the nature of outages
- Previous invoices or similar data that documents telemetry and control system maintenance costs for the most recent 5 years
- Historical data required by other agencies

Deliverables:

The following topics will be addressed in Draft Technical Memo A:

- Telemetry performance and reliability, including analysis of radio communications

- Analysis of telemetry availability
- Telemetry map of the City including current telemetry pathways and existing City fiber pathways
- Alarm system performance
- RTU system security
- Maintainability of RTUs and MTUs, including availability of technical support and spare parts
- Maintainability of field instrumentation, including availability of repair support and spare parts
- Workstation security and maintenance
- Network access and security
- Real-time HMI functionality
- Historical Data collection and storage
- Alarm system performance
- Reporting
- Reliability and redundancy
- Risk analysis and operational continuity

A.3 – Gap Analysis for Existing Telemetry, Process Control, and SCADA Head-End Systems

The objective of this task is to identify specific concerns, needs and desires of City personnel relating to the telemetry, process control, and SCADA systems. Discussion may include the following topics, though City personnel may identify additional topics for discussion.

- Telemetry deficiencies
- Instrumentation deficiencies
- Data availability and access
- Enhanced remote control functionality
- Security concerns
- Remote access
- Remote alarm notification
- Data availability and access
- Reporting
- Maintenance and operational documentation organization and availability
- Back-up procedures
- Redundancy
- Manufacturer support
- Server reliability
- Network components and redundancy
- Maintenance procedures and protocols

We anticipate these discussions will take the form of a workshop meeting with all stakeholders present. Tetra Tech will provide meeting agenda at least one day prior to the meeting and follow up with meeting minutes within two weeks of the meeting.

Assumptions and Clarifications:

- The City will provide information concerning future growth projections and plans for future expansion and improvements
- The City will provide information concerning permitting and other outside agency requirements.
- City staff, including all stakeholders, will be available for a workshop meeting to identify specific needs and concerns. Interviews with individuals are considered exclusive and would not count as workshop meetings.
- City staff will confirm the list of topics for discussion at least two days prior to the meeting
- Demonstrations from vendors/suppliers may be included in this Task to present alternatives to the City
- The City will review the Draft Technical Memo A and provide comments for incorporation into the final version.

Deliverables:

1. Workshop Meeting agenda
2. Workshop Meeting minutes
3. Draft Technical Memo A.

B. Technical Memo B: Master Plan Alternatives

This task includes the identification and analysis for potential alternatives and solutions to the deficiencies and concerns identified in previous tasks. The analysis will include a description of each alternative, approximate/relative costs for each alternative, and a discussion of the pros and cons for each alternative. Constructability and implementation constraints will be addressed at a cursory level of detail. We anticipate that the information provided to the City under this task will be used to more narrowly define the alternatives most likely to be selected for implementation. More detailed cost, implementation, and schedule information will be developed for the final report.

The alternatives are expected to address the City's stated needs. They must be consistent with the recommended hardware and software standards that will be developed as part of this scope, and they must address the need for improved performance without adding unnecessary complexity and cost.

This memo will address:

- Recommendations for hardware and software standards including evaluation of existing Wonderware SCADA software and associated features
- Recommendations for enhancing telemetry including alternative communication topology (fiber, radio, cellular modem, network connectivity etc)
- Review historical database access and configuration, and the status of the integration needs of the department's three SCADA operating centers
- Recommendations for the interface between the enterprise network and industrial network systems, including system access and departmental responsibilities, and governance
- Recommended elements to include in the City's policies and procedures concerning systems management, best maintenance practices, equipment replacement lifecycle, change management, disaster recovery, and software backup

Assumptions and Clarifications:

- The City is encouraged to identify specific alternatives for inclusion in the analysis
- The City may decide that a group meeting would be beneficial to help determine which alternatives are candidates for more detailed analysis
- The City will review the memo and provide comments for incorporation into the final version

Deliverables:

1. Draft Technical Memo B with final version of Technical Memo A attached as an appendix

Work Excluded from Scope:

- Detailed construction cost, implementation sequence, and scheduling information for each alternative
- Design documents

C. SCADA Master Plan Report

The Final Report will address the subset of alternatives identified in Technical Memo B that are recommended for implementation. The final versions of Technical Memos A, and B will be appendices of the Final Report.

The report will include cost estimates for the recommended or selected alternatives and identify the known constraints related to scheduling the implementation. Recommended alternatives that may require a more detailed engineering design effort will be so identified. The report will also include recommendations on system governance and an implementation plan

Deliverables:

1. Draft Final Report.
2. Final Report incorporating City review comments.

Work Excluded from Scope:

- Engineering design fee estimates for recommended alternatives
- Design documents

D. Contingency

This task work scope includes a contingency for costs should any of the other tasks be used completely, and only accessed with the City's Project Manager's approval.

E. Management Reserve

The City may identify additional work to be included in the scope. This work would proceed only at the City's discretion and after mutual agreement by both parties on the substance of the effort and deliverables.

F. Schedule

Anticipated dates for delivery (all dates in 2016):

Meeting or Deliverable	Start	Due	Meeting Date
Kickoff Meeting			Mar
Technical Memo A	Mar	April	
Workshop Meeting – Telemetry			Mar
Workshop Meeting – SCADA			April
Technical Memo B	April	May	
Meeting B - Alternatives			May
Final Report Draft	June	June	
Final Report Complete	July	July	

EXHIBIT B
COMPENSATION

☐ **ALTERNATE A [HOURLY RATE UP TO A MAXIMUM AMOUNT]**

The City shall pay the Service Provider a sum equal to the amount of hours actually worked multiplied by the rate identified herein for the staff performing the Work, subject to the maximum stated in ¶4(D) of this Agreement.

Name	Responsibility	Rate

☐ **ALTERNATE B [LUMP SUM]**

The City shall pay Service Provider dollars (\$) upon the completion of the Work, subject to the maximum stated in ¶4(D) of this Agreement.

☐ **ALTERNATE C [PROGRESS PAYMENTS]**

The City shall pay the Service Provider the following amounts upon the completion of the following tasks, subject to the maximum stated in ¶4(D) of this Agreement:

Task	Amount Paid upon Completion of Task

☐ **ALTERNATE D [BASE REGISTRATION]**

The City shall pay the Service Provider such amounts and in such manner as follows:
Fee for service shall be percent % of the base registration fees collected by the City.
Additional fees and/or surcharges levied by the City will be retained 100% by the City.
Payments shall be made as stated in Exhibit A – Scope of Work. The base registration fee is listed in Exhibit A – Scope of Work. Compensation shall not exceed dollars (\$).



Revision Date:
Mar 01, 2016

Price Proposal

Everett TSG SCADA Master Plan

Develop a SCADA Master Plan for Everett TSG. SCADA system is for the water/wastewater system
Submitted to: City of Everett TSG (Attn: Mark Sadler)

Contract Type: T&M

Project Phases / Tasks	Schedule			Work Days	Off	Work Days	Total Labor Hrs	Price Summary / Totals									
	From	Thru	Months					Labor Rate Etc.	Labor	Subs	Travel	Mat'l's & Equip	ODCs	Task Pricing Totals			
Project Management																	
PM							31	58	455	48	162	29	7				6,931
Project set-up							21	20	-	-	-	1					5,042
Scheduling, tracking, invoicing							5	4				1					1,046
HASP							12	12									2,960
Kick-Off Meeting							2	4	1			1					268
							8	4	4								1,620
T.M A: Telemetry, Process Control, SCADA																	
A.1 Inventory, review and understand existing SCADA							419	14	264	35	96	6	4				64,534
Field investigation typical remote location (4 ea)							179	-	112	15	52	-	-				26,746
Field investigation SCADA head-end							38	20			16						5,709
Review and understand SCADA							24	12	12		12						3,402
Summary of existing telemetry and process control systems							33	20		5	8						4,962
Summary of existing SCADA head-end							10	10	8	2							1,585
Summary of existing I/P policies related to SCADA							4		4								634
Site-by-site communication analysis							30	8	7		8						1,555
Network Diagram Drawing							46	32	6		8						7,022
							16		8								2,568
A.2 Evaluation																	
Review City provided information							108	-	72	16	20	-	-				16,466
Research							38	12	12	7	4						2,719
Evaluate existing system							18	12	16	7	4						2,719
Evaluate existing instrumentation							22	17	2	7	4						3,353
Evaluate site-by-site communication							32	20	8	3							2,719
A.3 Gap Analysis																	
Workshop with City							81	10	55	4	12	-	-				13,217
Individual meetings with City groups (2 ea)							16	4	8	4							2,754
Meeting minutes							12	4	8								2,284
Vendor presentations (2 ea)							16	8	8		8						810
Evaluate future growth for SCADA							4	4	4								2,268
Site-by-site communication							10	8	8	2							634
Instrumentation							7	5	5	2							1,585
Evaluate permitting and outside agency requirements							4	4	4								1,108
Risk analysis							8		8								634
Draft Technical Memorandum A							24		16		6	2					1,368
QA/QC							4										3,505
T.M A review meeting with City							12	4	4		4		4				780
Incorporate City comments							8		4		2	2					2,140
Final Technical Memorandum A							3		1			2					1,103
T.M B: Master Plan Alternatives																	
Review and develop hardware/software alternatives							127	10	79	4	24	6	4				20,058
PLC							24	-	24	-	-	-	-				3,804
Instrumentation							6		6								634
Task Pricing Totals																	
Specify Add'l Fees on Setup																	951
Technology Use Fee																	
Total Price																	
Pricing by Resource																	
Labor Rate Etc.																	
Labor																	
Subs																	
Travel																	
Mat'l's & Equip																	
ODCs																	
Task Pricing Totals																	
120,970																	

EXHIBIT C
REIMBURSABLE EXPENSES

Type of Expense	Maximum Per Item	Cumulative Maximum
Parking		
Meals		
Mileage	\$0.54 per mile	\$398

STATE RETIREMENT SYSTEMS FORM
ATTACHMENT TO PROFESSIONAL SERVICES AGREEMENT
ALL SERVICE PROVIDERS MUST COMPLETE AND SIGN THIS FORM

1. Does Service Provider have twenty-five (25) or more employees? ☒ Yes ☐ No
IF YES: SKIP QUESTION 2, SKIP QUESTION 3, AND SIGN BELOW.
IF NO: ANSWER QUESTIONS 2 AND 3.
2. If a Service Provider employee will perform Work under this Professional Services Agreement, did that employee retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS), or Law Enforcement Officers and Fire Fighters plan (LEOFF)? ☐ Yes ☐ No
3. Answer the appropriate question below for Service Provider's business organization:

Sole Proprietor. Did Service Provider retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS), Law Enforcement Officers and Fire Fighters plan (LEOFF)? ☐ Yes ☐ No

Partnership. If a partner will perform Work under this Professional Services Agreement, did that partner retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS) or Law Enforcement Officers and Fire Fighters plan (LEOFF)? ☐ Yes ☐ No

Limited Liability Company. If a member will perform Work under this Professional Services Agreement, did that member retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS) or Law Enforcement Officers and Fire Fighters plan (LEOFF)? ☐ Yes ☐ No

Corporation. If a shareholder will perform Work under this Professional Services Agreement, did that shareholder retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS), or Law Enforcement Officers and Fire Fighters plan (LEOFF)? ☐ Yes ☐ No

IF THERE IS A "YES" ANSWER TO ANY PART OF QUESTIONS 2 OR 3, AN ADDITIONAL QUESTIONNAIRE (AVAILABLE FROM HR OR LEGAL) MUST BE FILLED OUT AND SUBMITTED WITH THE CONTRACT.

Service Provider Name: TERRATECH INC.

Signature: [Signature]

Printed Name: SHANNON

ENGLISH

Title: DIRECTOR OF EEC



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
03/08/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Insurance Services West, Inc. Los Angeles CA Office 707 Wilshire Boulevard Suite 2600 Los Angeles CA 90017-0460 USA	CONTACT NAME:	
	PHONE (A/C, No, Ext): (866) 283-7122	FAX (A/C, No.): (800) 363-0105
INSURED Tetra Tech, Inc. 1420 Fifth Avenue, Suite 600 Seattle, WA 98101 USA	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	NAIC #	
	INSURER A: National Union Fire Ins Co of Pittsburgh	19445
	INSURER B: The Insurance Co of the State of PA	19429
	INSURER C: ATG Europe Limited	AA1120841
INSURER D: Lexington Insurance Company	19437	
INSURER E:		
INSURER F:		

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **Limits shown are as requested**

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSDI WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liability <input checked="" type="checkbox"/> X, C, U GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:		GL3372258	10/01/2015	10/01/2016	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		CA3194397	10/01/2015	10/01/2016	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION		62785232	10/01/2015	10/01/2016	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	WC014267906 WC014267907 WC014267908 WC014267912 Includes USL&H	10/01/2015 10/01/2015 10/01/2015 10/01/2015	10/01/2016 10/01/2016 10/01/2016 10/01/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000
D	Professional Liability and Contractor's Pollution Liability		028182375	10/01/2015	10/01/2016	Each claim \$5,000,000 Aggregate \$5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Includes Stop Gap: OH, ND, WA, WY.

Job Description: Everett TSG SCADA Master Plan (#135-16-EL005)

City of Everett and its officers, employees and agents are included as Additional Insured as required by written contract, but limited to the operations of the insured under said contract, per applicable endorsement with respect to the General Liability and Auto Liability policies. General Liability evidenced herein is primary to other insurance available to an additional insured, but only to the extent required by written contract with the insured. See attached endorsements. Includes 30 days notice of cancellation.

CERTIFICATE HOLDER

City of Everett
Attn: Mark Sadler, Project Manager
3200 Cedar Street
Everett, WA 98201 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Aon Risk Insurance Services West Inc.

D. LESSOR OF LEASED EQUIPMENT

1. Any person or organization from whom you lease equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of such equipment leased to you by such person(s) or organization(s).
2. With respect to the insurance afforded to these additional insureds under Paragraph I.D.1, this insurance does not apply to any "occurrence" which takes place:
 - a) after the equipment lease expires, or
 - b) after the equipment is returned or no longer in your possession,whichever takes place later.

E. MANAGERS OR LESSORS OF PREMISES

Managers or Lessors of premises but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and subject to the following additional exclusions:

This insurance under this paragraph does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of such Managers or Lessors.

F. MORTGAGEE, ASSIGNEE, OR RECEIVER

1. A mortgagee, assignee, or receiver but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you.
2. The insurance afforded to the additional insureds under Paragraph I.F.1 does not apply to structural alterations, new construction or demolition operations performed by or for that mortgagee, assignee, or receiver.

G. OWNERS, LESSEES, OR CONTRACTORS - COMPLETED OPERATIONS

- (1) Any Owner, Lessee or Contractor, but only with respect to liability arising out of "your work" performed for that additional insured and included in the "products-completed operations hazard".

H. OWNERS, LESSEES, OR CONTRACTORS - ONGOING OPERATIONS

Any Owners, Lessees, or Contractors, but only with respect to liability arising out of your ongoing operations performed for that additional insured.

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- (1) all work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) has been completed; or,
- (2) that portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

- a. medical, surgical, dental, x-ray or nursing service or treatment or the furnishing of food or beverages in connection therewith; or
- b. the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

The Coverage provided by this endorsement does not apply to you or any insured if you are engaged in the business or occupation of providing any of the services described in the definition of "Incidental Medical Malpractice Injury".

IV. JOINT VENTURES / PARTNERSHIPS / LIMITED LIABILITY COMPANIES

The paragraph under **SECTION II - WHO IS AN INSURED** which states:

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

is hereby deleted and replaced with the following:

No person or organization, other than you, is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

Coverage under this policy, however, will not apply:

- a. Prior to the termination date of any joint venture, partnership or limited liability company; or
- b. If there is valid and collectible insurance purchased specifically to insure the partnership, joint venture or limited liability company.

V. SUPPLEMENTARY PAYMENTS

Under **SECTION I - SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**, Paragraph 1.b., is deleted in its entirety and replaced with the following:

- b. Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

VI. LIBERALIZATION CLAUSE

If we revise or replace our standard policy form to provide more coverage, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

VII. UNINTENTIONAL ERRORS AND OMISSIONS

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 6. - Representations is amended by adding:

- d. The unintentional failure by you or any Insured to provide accurate and complete nonmaterial representations as of the inception of the policy will not prejudice the coverages afforded by this policy.

VIII. AMENDMENT OF DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 2. - Duties in the Event of Occurrence, Offense, Claim or Suit, a. is hereby deleted and replaced with the following:

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (1) above and supervisory, inspection, architectural or engineering activities; and

B. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 4. - Other Insurance, b. Excess Insurance, (1) (a), is amended to include the following:

(v) That is a Railroad Protective Insurance Policy or similar coverage.

XI. COVERAGE FOR YOUR SUPERVISORY OR MANAGERIAL EMPLOYEES RELATING TO CO-EMPLOYEE INJURIES

SECTION II - WHO IS AN INSURED, 2.a. (1), (a) and (b) are clarified to hold that:

Your supervisory or managerial "employees" are insureds for "bodily injury" to "co-employees" while in the course of their employment or performing duties related to the conduct of your business if claims or suits arise out of liability assumed by an insured under an "insured contract" as provided by **SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, e. Employer's Liability.**

XII. WAIVER OF TRANSFER OF RIGHTS OR RECOVERY AGAINST OTHERS TO US

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 8. - Transfer of Rights of Recovery Against Others To Us, is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization pursuant to applicable written contract or agreement you enter into because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard".

XIII. AMENDMENT OF OTHER INSURANCE

A. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 4.- Other Insurance, b. - Excess Insurance, (1), is amended to include the following:

This insurance shall not be excess where (i) such other insurance is specifically purchased to apply as excess of this policy, or (ii) where you are obligated by contract to provide primary insurance to an additional insured, unless there is other additional insurance coverage available to that additional insured.

B. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 4.- Other Insurance, b. - Excess Insurance, (2), is deleted in its entirety and replaced with the following:

When this insurance is excess, we will have no duty under Coverages A or B to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

XIV. AMENDMENT AGGREGATE LIMITS PER PROJECT

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under COVERAGE A (SECTION I), offense under COVERAGE B (SECTION 1) and for all medical expenses caused by accidents under COVERAGE C (SECTION II), which can be attributed only to ongoing operations at a single designated construction project:

ENDORSEMENT

This endorsement, effective 12:01 A.M. 10/01/2015 forms a part of

policy No. CA3194397

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - WHERE REQUIRED UNDER CONTRACT OR AGREEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

SCHEDULE

ADDITIONAL INSURED:

ANY PERSON OR ORGANIZATION FOR WHOM YOU ARE CONTRACTUALLY BOUND TO PROVIDE ADDITIONAL INSURED STATUS BUT ONLY TO THE EXTENT OF SUCH PERSON'S OR ORGANIZATION'S LIABILITY ARISING OUT OF THE USE OF A COVERED "AUTO".

I. SECTION II - LIABILITY COVERAGE, A. Coverage, 1. - Who Is Insured, is amended to add:

- d. Any person or organization, shown in the schedule above, to whom you become obligated to include as an additional insured under this policy, as a result of any contract or agreement you enter into which requires you to furnish insurance to that person or organization of the type provided by this policy, but only with respect to liability arising out of use of a covered "auto". However, the insurance provided will not exceed the lesser of:

- {1} The coverage and/or limits of this policy, or
- {2} The coverage and/or limits required by said contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement, effective 12:01 A.M. 10/01/2015

forms a part of

Policy No. CA3194397

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

Section IV - Business Auto Conditions, A. - Loss Conditions, 5. - Transfer of Rights of Recovery Against Others to Us, is amended to add:

Where Required by written contract provided such contract was executed prior to the date of loss.

However, we will waive any right of recovery we have against any person or organization with whom you have entered into a contract or agreement because of payments we make under this Coverage Form arising out of an "accident" or "loss" if:

- (1) The "accident" or "loss" is due to operations undertaken in accordance with the contract existing between you and such person or organization; and
- (2) The contract or agreement was entered into prior to any "accident" or "loss".

No waiver of the right of recovery will directly or indirectly apply to your employees or employees of the person or organization, and we reserve our rights or lien to be reimbursed from any recovered funds obtained by any injured employee.